

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:3666
ANSWERED ON:10.09.2007
SIMPLIFICATION OF LICENCE NORMS
Thakkar Smt. Jayaben B.

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Government has simplified the National Long Distance (NLD) and International Long Distance (ILD) licence norms; and

(b) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) & (b) Yes, Sir. The Government has simplified the NLD and ILD Licensing norms w.e.f. 14.12.2005. The details are given below:

(i) The entry fee for NLD Licence has been reduced from 100 crores to 2.5 crores and that for ILD Licence from 25 crores to 2.5 crores.

(ii) The Annual Licence fee has been reduced from 15% to 6% of Adjusted Gross Revenue (AGR) for both NLD and ILD Licence.

(iii) The mandatory roll out obligation for NLD Licence has been removed and that for ILD Licence has been reduced to setting up of one ILD gateway.

(iv) The networth and paid up capital requirement for NLD Licence have been reduced from Rupees 2500 crores and 250 crores to 2.5 crores each and for ILD Licence from 25 crores to 2.5 crores.

(v) The Performance Bank Guarantee of Rs. 400 crores for NLD Licence has been removed while for ILD Licence it has been reduced from 25 crores to 2.5 crores.